

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL STUDY SESSION
April 9, 2003**

The Board of Supervisors of Maricopa County, Arizona convened at 10:30 a.m., April 9, 2003, in the Tom Sullivan Conference Room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Fulton Brock, Chairman; Andy Kunasek (came late), Vice Chairman; Don Stapley, Max W. Wilson, and Mary Rose Wilcox (attended by telephone conferencing). Also present: Norma Risch, Deputy Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: (aye-no-absent-abstain).

PROCEDURAL MATTER

Supervisor Wilcox was not able to be present and requested permission to take part in the meeting via telephone conferencing.

Motion was made by Supervisor Wilson, seconded by Supervisor Stapley, to allow Supervisor Wilcox to "listen in and join us."

When questioned about policy covering her having a vote, Paul Golab advised that the Board of Supervisors has never adopted a formal policy on telephone conferencing and therefore the Board can make a determination on a case-by-case basis to allow full participation, to listen only or to listen/participate and also vote.

Supervisor Stapley said he believed it has always been an unwritten policy that "if you want to vote you have to be here." He noted that legislators have to be present to vote and said that it has always been that way on this Board in the past. He questioned the advisability of setting a different precedent.

Discussion ensued with agreement on participation but with some dissention on whether a missing member would also be allowed to vote. Chairman Brock said that some city councils allow it as does CSA (County Supervisors Association) and he asserted that both teleconferencing and voting should be allowed for the Supervisors if done on a limited, as-needed basis

~ Supervisor Kunasek entered the meeting ~

Continuing discussion elicited additional concerns from Supervisor Kunasek on voting via the telephone. Supervisor Stapley stated that his second had been on the assumption that a missing member would not be allowed to vote.

Motion was restated by Supervisor Wilson to allow Supervisor Wilcox to participate in this meeting by teleconferencing but would not be allowed to vote. Supervisor Stapley reiterated his second and the motion carried by majority vote (3-1-1) with Supervisors Stapley, Kunasek and Wilson voting "yes" and Supervisor Brock voting "no."

GENERAL LEGISLATIVE UPDATE - COUNTY HEALTH CARE SYSTEM

Discussion of recommendations from Citizen's Task Force on County Health Care System and general legislative update.

Sandi Wilson, Deputy County Administrator
Mark Hillard, Maricopa Integrated Health Systems
Chris Keller, Chief Counsel, Division of County Counsel

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL STUDY SESSION
April 9, 2003**

Diane Sikokis, Director, Government Relations
Bill Sims, Outside Counsel
Rory Hays, Lobbyist
Doug Cole, Lobbyist

Bill Sims distributed an updated draft of the proposed legislation reflecting results of negotiations to date. He discussed areas that had been changed and identified current problem areas.

In a follow-up to discussion in a prior meeting, Supervisor Kunasek reintroduced reimbursement for hospital board members. Counsel supplied the same arguments against it, i.e., it is unusual for any board members in this area to be paid and including it could precipitate legislators taking a second look and cause lengthy discussion, possibly eliciting enough "discomfort" to keep legislation from being enacted. The only known board members receiving pay in the County are on the Nursing Board and the amount they receive wasn't known. Supervisor Stapley insisted that this is a different kind of board, "They have to stand for election." Supervisor Kunasek said, "Not only is it an elected body but they will have oversight over a bigger budget than that of most cities in the state. It could amount to between \$700-\$800 million a year, which is a very substantial responsibility."

Discussion ensued on the 10-year, three-mile expansion limitations demanded by private hospitals and if it would apply to a "specialty hospital" if one was desired or contemplated. However, it was determined that there was no desire to go in that direction as specialty hospitals are becoming controversial and should be viewed with caution.

In discussing the base tax amount that should be set as a hospital district's taxing authority, several figures were explored. This legislative draft stated that the levy amount should not exceed \$50 million, adjusted annually from the year of creation, to reflect population and cost of living changes of the health services component of the CPI (Consumer Price Index). In determining what should be used as an inflator in future years several methods were suggested, which included tying it to increases in assessed property values.

Sandi Wilson suggested that the easiest way would be to use the language that is already in the current statute, which stipulates the percentage that Maricopa County's levy can increase on a yearly basis. She indicated that including a method that is already being successfully applied could be well perceived by legislators in the midst of the many new components and concepts they will find in the rest of this legislation. Discussion ensued.

Supervisor Stapley concluded, "I think this is the best decision we can make at this time to get it done and into the legislature."

Mr. Sims asked if, during earlier discussions, the tax base had been set at \$50 million or a higher amount. Earlier discussions had targeted a minimum of \$72 million as probable actual expenses.

Supervisor Stapley said, "Whatever number we pick it will be challenged as too high or too low ... and if it's set too low you can't bring it up later." He said that \$50 million "is a good place to begin the discussion."

Supervisor Wilson said he would not be comfortable with asking for more than \$40 million.

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL STUDY SESSION
April 9, 2003**

Mark Hillard explained that at today's prices \$40 million might be acceptable but he'd be more comfortable at \$50 million as any less might prove to be insufficient and could force another visit to the legislature in a few years. He recognized the importance of setting it at a level "that can be sold."

Revisions to the Mission Statement were discussed. The Supervisors and Counsel were all averse to making changes in it except to strengthen and improve it. None liked the changes requested by the hospitals, regarding them as being too loose and full of variables that could be adversely used against the County.

Bill Sims asked for a wrap-up on the issues discussed and the following guidelines were agreed to:

1. Per Diem – tied to the reimbursement for those serving on the Nursing Board if possible, if not set it at \$200 a day, inflated.
2. Mental health must remain unconstrained. Carve out an exception for a specialty area in psychiatric and allow probation on other specialties for the first 10 years.
3. "Intent language" inserted to "make it clear that taxes used to pay for the local match are intended to prohibit the state from withholding a comparable amount from the County. In the first year there'd be an iron-clad prohibition."
4. The Inflator will be the County's levy limit.
5. Session law: accept some of the revisions they proposed but we won't take the others. We'll add the language that says "approved by the voters and authorized by the Board."
6. Election for both people and bonds will occur on off-presidential election years, or during the election of constitutional officers of the state. The first board will serve for three years and next elected in 2006.

DIRECTION ON PROVISIONS OF PROPOSED LEGISLATION

Item: Action directing staff regarding provisions of proposed legislation.

Motion was made by Supervisor Stapley, seconded by Supervisor Wilson, and unanimously carried (4-0-1) to accept conditions outlined for the bill being negotiated and written by Counsel as recapped above.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

ATTEST:

Fulton Brock, Chairman of the Board

Norma Risch, Deputy Clerk of the Board